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CONTENTS

Page

Points for Planners 1

- Full Employment in a Free Society
- Social Insurance
- Trades Union Congress Reports
- International Air Transport
- Statistics Relating to the War Effort

The Co-operative Commonwealth Federation of Canada
David Lewis 8

The Future Structure of British Industry
Austen Albu 14

Organised Labour in War-time
Donald G. MacRae 20

A Balanced Transport System
Dr. Hugh Stowell Phillips 25

Book Reviews 32

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W. ARNOLD FORSTER: CHARTERS OF THE PEACE (Gollancz 6/-)
BUILDING PEACE OUT OF WAR Studies in International Reconstruction (P E P 10/6)

W. Arnold Forster's Charter of the Peace will be found a very useful guide to the various agreements so far concluded in the international field among the Big Powers. The author goes into great detail to assess the political and especially the economic implications of the various charters. He does so with a fair but critical mind and puts forward his own constructive proposals for world organisation and for a durable peace. Its vigorous style and convincing language should make the book interesting reading to all those concerned about international problems and their solution.

Accepting the Great Power Directorate as a political finality, and a kind of reformed capitalism as an economic one, the authors of *Building Peace out of War*, in a series of thorough and serious studies, are attempting to plan for a better world and a lasting peace. Controversial as many of the premises may be, some of the conclusions will also be acceptable to those who approach the subject from a different angle. But Socialists will miss an analysis of the social forces behind past conflicts and a lack of precision in the definition of the economic changes foreseen by the authors. B. H.

NEW ZEALAND—A WORKING DEMOCRACY by Walter Nash (Dent 8/6)

A book of special interest at the present time to British readers as showing what has been accomplished by a Labour Government in its first period of office, and what are the ideas of that Government in regard to the future. Mr. Nash, who has been Minister of Finance, of Marketing, and of Social Security, indicates that his party have proceeded by way of establishing key controls over the economic life of the country rather than by socialising particular industries. New Zealand is thereby placed in a very strong position for implementing a policy of full employment after the war, though she may not have achieved socialism, and her future progress will be well worth watching.
A. F.

THE T V A: LESSONS FOR INTERNATIONAL APPLICATION by Herman Finer (I.L.O. 8/-)

This book gives a clear and interesting account of the organisation methods of work and main activities of the T V A over a period of nearly 10 years. It is written with a view to the application of the lessons learned in this experiment to the international development of special areas, and emphasis is laid on the way T V A has worked through the departments and organisations of the States concerned, and has utilised the various federal agencies created for purposes of rural development. The last chapter discusses the degree to which this type of organisation would be useful for purposes of international development, and the various special problems which will need solution. The book should be read by everyone who is interested in international planned development.
O. A.

POINTS FOR PLANNERS

FULL EMPLOYMENT IN A FREE SOCIETY[1] by Sir William Beveridge (Allen & Unwin 12/6)

The attitude which socialists adopt towards the ideas and policy expounded by Sir William on the subject of Full Employment is of the greatest importance for the future of socialism. There is a tendency among some socialists, who are politically among the best in the movement, towards a curious complacency in this matter. Beveridge, they say, is merely discovering economic truth, which socialists have been teaching for the last 50 years ; so while he does not do us any harm, we need not take him too seriously. If this were truth then surely it would follow that, for example, the Labour Party's statement on Full Employment and Financial Policy would contain a far more comprehensive and radical policy than this Report. But it does not. For this reason, this is a book which every socialist should read with the greatest care.

It is the policy which Sir William propounds which concerns us here, but it should be mentioned, in passing, that the Report also contains a most valuable analysis of the facts of unemployment, a devastating criticism of the Government's Employment Policy White Paper, and a number of appendices, including a brilliant essay in applied economics by Mr. Kaldor, who attempts to work out the actual quantities involved in achieving full employment in Britain.

Sir William defines full employment as meaning " having always more vacant jobs than unemployed men, not slightly fewer jobs. It means that the jobs are at fair wages, of such a kind and so located that the unemployed men can reasonably be expected to take them ; it means by consequence that the normal lag between losing one job and finding another will be very short."

In practice, Beveridge does not think this frictional unemployment need be great. He allows 1 per cent for unemployment due to technical progress; a further 1 per cent. for unemployment due to fluctuations in private investment, and 1 per cent. for fluctuations in overseas demand. Thus, against the unemployment of between 10 per cent. and 22 per cent. of pre-war, or the 8½ per cent. assumed in the Social Insurance White Papers, he now sets a target of 3 per cent. maximum unemployment.

The policy has three parts:—

(1) To maintain total expenditure or outlay ;
(2) Control of the location of industry ;
(3) Securing the organised mobility of labour.

The maintenance of total outlay is by far the most important part of the policy. It follows from his diagnosis of the cause of unemployment which follows fairly closely the Keynesian analysis. The level of employment in this analysis is established by two factors : investment and the " propensity to consume," *i.e.*, the amount of any given income which the community wishes to spend on consumption. The latter depends on the distribution of income; if it is very unequal there may be a small class of rich " savers ", so that with a high total income the amount which the community wants to save is also high. If investment is given, then a redistribution of income in favour of the poor

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[1] A pamphlet with the same title, summarising the full report, has been published by *The New Statesman and Nation* and *Reynold's News*, price 6d.

We reprint this review from *Socialist Commentary* (The Monthly Journal of the Socialist Vanguard Group), December, 1944 issue, by permission of the editors.

would, by raising consumption, stimulate employment. Alternatively, if the distribution of income is taken as a datum, then there will be full employment if the total outlay on investment is sufficient to offset the savings which the community wishes to make out of the full employment income. This diagnosis which is formally indefeasible, leads at once to a study of the rôle of public finance. A redistribution of disposable income can be brought about by shifting from taxes which fall almost entirely on consumption (mostly indirect taxes) to taxes which fall mainly, or in part, on savings (income tax and surtax). It also follows that the State can stimulate employment by " deficit finance ", *i.e.*, either increasing outlay on public investment, schools, hospitals, etc., financed by loans, or merely keeping up its existing outlay and reducing the rates of taxes, thereby stimulating personal consumption and thus creating the employment to meet it.

There are other more direct ways of changing the distribution of incomes at source, by means of price control or by what Beveridge calls planned outlay on consumption. He proposes a kind of State wholesaling for certain goods, creating a " collective demand for essential consumption goods to be supplied to private citizens through the ordinary channels of retail distribution at a price which, at need, may be lowered by a subsidy. It is also a valuable method of controlling prices and monopoly profits." He also envisages, though not for employment reasons, the nationalisation of transport and power, and, possibly, the coal and steel industries.

Public finance remains, however, Sir William's main instrument of a full employment policy : redistributive taxation and deficit finance. The objection to the latter—the growing National Debt—is shown by Mr Kaldor to carry little weight. He argues that with a rate of interest at 2 per cent., and with an annual rise in productivity of 2 per cent., both reasonable assumptions, we could have an annual Budget deficit of £775 millions without requiring any increase in the *rates* of taxation to finance the interest. And £775 millions is far more than the maximum peace-time deficit is likely to be to ensure full employment—leaving aside any redistributive taxation.

Assured of the efficacy of his means to full employment, Beveridge lays down three rules for public finance :

> " The first rule is that total outlay at all times must be sufficient for full employment. This is a categorical imperative taking precedence over all other rules, and over-riding them if they are in conflict with it. The second rule is that, subject to this over-riding categorical imperative, outlay should be directed by regard to social priorities. The third rule is that subject both to the first and second rule, it is better to provide the means for outlay by taxing than by borrowing."

The first rule, he goes on, is absolute. It is better to employ people on digging holes and filling them up again than not to employ them at all ; those who are taken into useless employment will, by what they earn and spend, give useful employment to others. The third rule is not dictated by any reasoning about the " soundness " or otherwise of deficit finance ; it is made because it is undesirable to create or add to the class of pure *rentiers*. The second rule is highly important; it attacks the notion of the " double budget " which permits budget deficits only for certain types of public investment, a notion which appears to be accepted by the T U C in its Interim Report on Reconstruction. The " double budget " principle, which has no economic basis, merely imposes arbitrary limits on the control which the Government can exert over the economy as a whole. Whether, in any given situation, full employment should be maintained by building more schools, training more doctors, stimulating the consumption of milk, or simply allowing people to spend more money on beer and skittles, this decision is one of social priority alone.

A policy of maintaining *total* expenditure is not enough. The stability of the broad sub-divisions which add up to total outlay is also necessary. The two difficult items are private investment outlay and the balance of payments. For the former Sir William proposes a National Investment Board on now familiar lines, with one exception. He does accept the logic of his proposal, namely that while it is fairly easy for such a Board to cut down private investment it is also necessary for the Board to have some means of stimulating it, should that be necessary. Should stimulants, *e.g.*, special tax concessions, fail, the State should be ready to undertake any major investment project itself.

The stabilising of the balance of payments in such a way that Britain can pay for her imports is a more difficult job, because it involves other countries besides ourselves. Beveridge emphatically repudiates the argument that our own employment policy must be at the mercy of other countries. He puts three alternative policies—of which the first is the most desirable ; if it is not attainable we must fall back on one of the other two. The first is possible if all major countries announce and adopt a policy for maintaining employment at home. " . . . the first aim should be a world-wide trading and clearing system, with international arrangements providing adequate lasting liquidity for multilateral trading, without requiring individual countries to subordinate domestic economy policy to international exigencies." Even under such a system Britain must retain (*a*) exchange control ; (*b*) the power to make long-term contracts for the purchase of essential raw materials and food ; (*c*) the power to make long-term contracts for the planned supply of exports to develop backward areas.

The second line of policy is to develop the multilateral trading principle within a region or group of countries all pledged to pursue expansionary economic policies internally. Should even this not be attainable—and Beveridge thinks it " almost incredible " that this more limited objective will not be possible—the final solution is bilateralism—the making of specific bargains with individual countries so as to permit Britain to pay for what she buys.

Beveridge sums up his plan as the " socialisation of demand rather than production ". Towards private enterprise he takes an empirical view. His policy " makes possible the retention of private enterprise to discover and develop the best technical methods of production, so long as private enterprise appears to be the most efficient agency for that purpose. At the same time it does not block the way to socialisation of production in general or in any particular industry." True, he says later that his policy " by-passes the socialist-capitalist controversy," but in the same paragraph he writes: " This does not mean that the adoption of a full employment does not affect the debate between socialism and capitalism. It does affect that debate in many ways. It places the old issues of efficiency, enterprise and social justice in a new setting. It gives a fresh turn to every controversy."

Full employment will not by-pass the controversy : it will sharpen it—and in a situation in which the workers, economically and politically, will be much stronger than in unemployment. So long as unemployment persists it is human nature that questions of efficiency, enterprise and even social justice, should be secondary to the need for jobs. For that reason alone, to achieve it and to maintain it in peace is impossible without a progressive Government, except possibly in the immediate post-war years. And at every stage in carrying out a full employment policy the fundamental controversy will arise. Take only two examples. Sir William proposes to use taxation as a means of income redistribution. This will widen the gap between the *gross* distribution of income and the *net* distribution (after taxation). This may lead to attempts at tax evasion, or to lavish expenditures of individuals booked over the cost account of their firms, and so on. In short, it will *emphasise* the need to alter, by nationalisation, for example, the gross distribution of income. Secondly,

every decision with regard to social priority will involve a fundamental controversy—working class housing *versus* luxury hotels, the best free education for all *versus* good education for the privileged few.

Socialists can be grateful to Sir William for a lucid and sound exposition of the economic principles of full employment. There are, indeed, certain points, *e.g.*, the question of wages and prices, where he writes over, rather than faces squarely, a difficult question. But it must be said that official Labour statements are no clearer on some of these issues. Instead of turning our backs on this Report as representing a last ditch effort to save a dying capitalism we should, if we are realistic, rather argue that it is on the basis of a Full Employment policy that we can march forward towards our socialist goal.

G. D. N. W.

SOCIAL INSURANCE PART I (Cmd. 6550 6d)

The Social Insurance Plan will insure all citizens against loss of income through sickness, unemployment, old age, maternity. In addition, widows' and guardians' benefits will be conditionally available, and children's allowances at 5/- will be paid for every child after the first. These cash provisions are linked with the plan for a constructive and universally available medical service and with school dinners and milk for all children. The two latter services will be provided from public funds without specific charge to the recipients. The whole scheme, excluding the medical service, will be run by a new Ministry, to be called the Ministry of National Insurance, with Sir William Jowitt at its head. It will gradually absorb staff from the consequently redundant sections of the Ministries of Health and Labour. Finance will flow from three main sources, taxation, insured persons' contributions (3/10 for an employed man and 4/2 for a self-employed man and *pro rata* for juveniles and women), and employers' contributions (3/1 in respect of men employees). Consequential changes include the liquidation of Approved Societies (roughly 5,000 heterogeneous non-profit making units " approved " by the Minister for the purpose of administering National Health Insurance benefit), the conversion of Workmen's Compensation into a public social service and the supersession of the cash-paying functions of the Poor Law.

Considered as a series of empirical improvements the White Paper is welcome. It is not, of course, an integrated Social Security Plan. It has no underlying philosophy of planning or equality or community sharing. Any one of the steps suggested—increased sickness benefit, children's allowances, or co-ordinated administration—could have been taken separately without any of the other steps. There is no logical inter-relation or inevitability about these proposals. They have the appearance of a plan only because they are all simultaneously proposed. The Beveridge Plan had a fundamental unity of purpose, and it is this more than anything else which distinguished it from the White Paper. Also, the Beveridge Plan proposed to provide full subsistence through insurance for the whole duration of sickness or involuntary unemployment. The Government would provide a sum below subsistence for a limited period only. This means that the insurance section of the scheme must be permanently bulwarked by an assistance service, making payments, up to a maximum, according to need. It was this situation to which the Minority Report of the Royal Commission on Unemployment Insurance objected in 1933.

Practical (and empirical) steps towards improving the White Paper include (1) sickness and unemployment benefits to be paid for the duration of the contingency, and (2) these and guardians' benefit to be paid at subsistence level, (3) children's allowances for families living on benefit to be at full subsistence rate, (4) all children's allowances to be increased.

J. S. C.

TRADES UNION CONGRESS :
INTERIM REPORT ON POST-WAR RECONSTRUCTION
INTERIM REPORT ON TRADE UNION STRUCTURE AND CLOSER UNITY

These two reports, which were prepared by the General Council in accordance with resolutions passed at the 1943 Trades Union Congress and unanimously accepted at this year's Congress at Blackpool, may become a landmark in British trade union history. They show the T U C equipping itself to play a responsible and influential part in the shaping of the post-war economic structure of this country.

Post-War Reconstruction is hardly an adequate title for the first of these two documents. It is in fact the first declaration of a comprehensive economic policy by the T U C on behalf of the trade union movement. Whilst setting out from a statement of the main objectives of trade unionism (the maintenance and improvement of wages, working conditions and living standards, the assurance to workpeople of adequate opportunities for suitable employment and the implementation of their right to share in the control of industry) it recognises that these objectives can only be fulfilled within a system of public control. The only alternative to public control, it suggests, is the increasing concentration of economic power in the hands of private persons and groups owing no responsibility to the community.

The report although sometimes in rather general terms (a series of detailed reports are promised for next year's Congress) does in fact sketch out both the structure and purposes of such a system of public control. This is not by any means pure socialism ; but that is hardly to be expected in what is essentially a trade union statement. It does, however, present an immediate programme in greater detail than the Labour Party itself has so far attempted, which could be carried out within a limited period of time under, but only under, a Labour Government.

The transport, fuel and power, and iron and steel industries are singled out as being those industries most ripe for immediate transfer to public ownership, but the proviso is entered that ' should political opposition or legislative difficulties make it impossible to secure the complete transference of the whole of these industries to public ownership under one Act of Parliament, the nationalisation of the coal mines and railways should not on this account be delayed.' The report also suggests that the Government must have adequate control over :

The utilisation of land and the supply of water and other natural resources ;
The supply and availability of cash and credit money ;
The rate of gross investment and the supply of capital for investment ;
The location of industry and general physical planning ; and
Foreign trade and foreign lending and investment.

The various methods of exercising public control over private industry are analysed and stress is laid on the value of government wholesaling to encourage the production of utility goods in peace-time. But as a means of securing direct public regulation of a large number of important industries the report mainly favours the formation of Industrial Boards on very similar lines to the proposal made in the Nuffield College Report on *Employment Policy and Organisation of Industry after the War.*

The importance and the methods of trade union participation in public control, and the policy of the trade union movement in regard to prices regulation and full employment are set out in the report, but it is impossible to do justice to these sections in a short summary. Apparently Sir William Beveridge consulted with the T U C in preparing his report on full employment and both parties influenced each other to advantage. One passage from the summary

of the report is worth quoting in full, as an important declaration of the contribution which trade unions—as trade unions—are prepared to make to the maintenance of full employment in peace-time :

> 'Whilst we recognise that a disciplined observance of collective agreements and a high degree of mobility of labour between occupations are necessary to the permanence of a condition of full employment, we do not consider that compulsory arbitration or direction of labour are required or in any way desirable. Providing the Government was able to give adequate guarantees that it was genuinely pursuing a policy of full employment and was determined to take all necessary steps to control prices and otherwise prevent the exploitation of the situation by private interests, the Trade Unions would undertake to avoid wage policies and demarcation or other practices which might impede the achievement of full employment.'

The report on *Trade Union Structure and Closer Unity* deals with the changes in the organisation of the trade union movement which are needed if it is to fulfil its responsibilities in the post-war world and secure the application of its economic policy. The old but rather futile discussion on the relative merits of craft and industrial unionism is avoided. Instead the emphasis is placed primarily upon the practical possibilities of securing a greater measure of integration of the movement with the varying size and structures of the different unions. 'Schemes of amalgamation, federation and joint working should be developed wherever possible.' It seems unlikely, however, that many new amalgamations will take place, and the main recommendation of the report is that each industry there should be 'a highly developed form of Federation closely related with Congress machinery.'

These federations would be mainly concerned with the economic as distinct from the administrative functions of unions. Collective bargaining and the formulation of industrial policy would come within their province, and to this extent the danger of inter-union rivalry or conflict in dealing with the employers or the government would be removed. There is a further proposal that there should be a system of advisory committees to cover each industry, service or related group on which representatives of the federations would be associated with representatives of the General Council. This all involves a strengthening of the authority of the T U C which is certainly essential if closer trade union unity is to be achieved. It is not that the individual unions are agreeing to yield up any of their present functions as that by integration the new or extending functions of trade unionism may be successfully fulfilled.

A. D.

INTERNATIONAL AIR TRANSPORT (Cmd. 6561 1d)

The White Paper on International Air Transport represents an attempt on the part of the British Government to frame a compromise between the internationalist views of Australia and New Zealand and the nationalist views of the United States. The Antipodes Dominions had made their policy known in the Canberra Agreement of January 21st, 1944, and the United States had presumably made its attitude clear in the Beaverbrook-Berle conversations. The White Paper was published almost on the eve of the Chicago Conference, but has signally failed to provide a common meeting-ground for the all-out internationalists (now supported by France, the traditional advocate of air internationalisation and the all-out nationalists).

From the point of view of the planner, the White Paper fails in several respects to suggest remedies for the inter-war ills of aviation which it forcefully describes. It leaves open to *ad hoc* bilateral negotiation " the right to pick up and set down traffic to and from destinations which are not in the country of origin of the aircraft and the right to engage in the sabotage of another country " ; and Chicago has already shown that this type of negotiation is

not likely to be less productive of international friction than it has always been in the past.

The proposals of the White Paper for an International Air Authority may strike the small nations (some of which were first-magnitude air Powers) as repeating the effect of Article 34 of the Paris Convention of 1919, which placed them in an unduly subordinate position to the Great Powers. In this respect, too, the Chicago Conference has tended to heighten anxiety.

There may well be a connection between the intransigence of the United States' negotiators at Chicago and the recent decision of the Australian Government to nationalise interstate services in Australia. This decision is in line with the " second best " plan proposed in the Canberra Agreement for operation if world opinion would not back an international operating (not merely technical and licensing) Authority. It will not be surprising if this leads to the exploration of the possibility of such an Authority for the world—without America, *i.e.*, for the Europe-Africa-Asia-Australasia land-block. In 1938, as nearly as can be calculated, this land-block and its connecting seas accounted for 57.4 per cent. of the world's air route miles and 76.8 per cent of the aircraft miles flown. I. M.

STATISTICS RELATING TO THE WAR EFFORT OF THE UNITED KINGDOM (Cmd. 6564 1/-)

It is fitting that the White Paper on ' Statistics Relating to the War Effort of the United Kingdom ' should be published at the beginning of what must almost certainly be the last session of the War Parliament. Just how big each part of the war effort has been, and how much the pre-war structure of the country has been changed is set out in a paper, which is itself brilliantly worthy of the history it records.

The changes in our economic and social structure are frequently referred to in general terms ; the reduction in standards of living, vastly increased public expenditure based more largely than ever before on taxation, the decline in exports, the completeness of the labour squeeze, entailing severe constriction on whole industries, and the changes in the social life and outlook of the majority of the population. On all these things and many more, the White Paper shows in figures and diagrams the size of each of the problems, put together in such a way that the urgent necessity for planning the return to peace at least as carefully and boldly as the change to war production becomes clear.

In Section II on Home Production, complete figures are given of the munitions, raw materials and food produced, with the output of weapons of war recorded in surprisingly great detail. However, looking to the future, rather than to the achievements of the recent past, the figures of production for some of the principal raw materials suggest how much war has altered the size and capacity of our industries. It is to be hoped that the warm reception for the Government's enlightened lifting of the security embargo on the publication of statistics will encourage them and perhaps trade associations, too, to hasten the publication of yet more information on this vitally important, but meagrely reported subject. The figures for imports, exports and shipping recorded in Section III provide more details of the steady approach of one of the most acute problems of economic policy in our time—the loss of our export trade.

During the war, the national necessity of planning resources to secure maximum war production has meant the national co-ordination of the statistical information on which such planning must be based. The opportunity is soon to come for the national planning of peace-time production, and Cmd. 6564 may yet prove to be the first in a series of " White Papers relating to the achievement of Full Employment in the United Kingdom.' J. M.

The Co-operative Commonwealth Federation of Canada

David Lewis

We are very glad to publish this summary of the address given by David Lewis, Secretary of the C C F, to the Conference of Labour Parties of the British Commonwealth of Nations held in London during September.[1] The success of the C C F and of the Labour Government in New Zealand is both a challenge to our Movement and a pledge of powerful support if this country pursues a progressive foreign policy.—ED.

My main problem is one of selection. I am, for two reasons, going to confine myself to an attempt to give you an outline of the history, structure and issues confronting the C C F. First, because perhaps it is less known to most comrades than is the structure and nature of the parties in other parts of the Commonwealth ; and secondly, because there are some important differences between the structure of our party and the structure of other parties.

Everyone here knows about the part played by Canada in the war. After a couple of years of pretty slow adjustments due to the opposition of the vested interests and the desire to avoid as far as possible any control over industry,—after a slow year or two, similar in character to the situation which occurred in the United States. Both Canada and the Canadian Liberal Government has done a splendid production job. We of the C C F do not hesitate to give the Government credit for an excellent, efficient and telling production job for the war.

We have the same story as you have. We have our controls in the hands of the people who have to be controlled. Our Government has been particularly reactionary and particularly stupid in its labour policy during the war. It has given the organised Labour Movement as little voice as possible in the running of the show.

I propose to try to describe the C C F to you under four divisions, or heads. A few words about the history of the party—how it arose, its later development and character. A few words about the nature of the party as it is to be distinguished in certain respects from the other parties. A few words about our present structure and activities, and, finally, something about the perspectives in the immediate future.

THE CANADIAN BACKGROUND

We had in Canada, as you no doubt know, the same attitude as the United States — the " Horatio Alger " attitude—that every American or Canadian boy had the opportunity to progress from chimney sweep to President. That psychology was strong, and there was no large-scale socialist movement in our country until 1930. We had, however, a number of parties scattered throughout the country. We had socialist parties in the various Provinces. We had various parties throughout Canada—socialist parties, labour parties and farmers' parties. The farmers' parties have been more important.

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[1] The Manifesto issued by the Conference has been reprinted as an Appendix to our pamphlet *Dumbarton Oaks : A Fabian Commentary* (1/2 post free).

These parties existed in various parts of the country, but they were ineffective, although the farmer parties in some provinces won the Government—but they were unrelated one to the other and had no national effect or influence.

The depression came, and with it the destruction of the " Horatio Alger " illusion. Most workers across Canada began to search for a political national instrument that would express their hopes and fight for their interests.

The founders of the C C F had the supreme wisdom, the profound wisdom, of forming the party out of the existing parties, instead of trying to found an entirely new one. Those political parties which had existed before would not have given way to an entirely new party that had no relation to them. The C C F federated the then existing parties.

When the C C F was formed, a large influx of people, not members of existing parties, wanted to become part of this movement. There was the development of C C F Clubs, similar to the I L P prior to and simultaneous with the Labour Party in the earlier years. Our party was for a time a federation of Labour, Socialist and Farmer parties, and after that there was a very widespread development of C C F Clubs right across the country in towns, villages and constituencies from coast to coast.

All other parties in the Commonwealth are based mainly on trade unions There was the British tradition, and banging up against that the U S A influence. Most of our unions in those days were, as they are now, international unions, or unions which are Canadian branches or organisations of United States unions. In the United States you had only A F of L unions, and therefore in Canada the same. The A F of L influence predominated.

For many years, while the C C F passed resolutions inviting the trade unions to unite, and while we constantly won support among the rank and file, the unions did not come into the C C F as corporate bodies.

In the autumn of 1938, after the C I O was formed, and after there was a split in the Canadian organisation, the Mineworkers' Union passed a resolution to affiliate with the C C F, and about three years later a movement started in other parts of Canada for affiliation of the unions with the C C F, and there are now a number of trade unions affiliated. There is probably a total membership of about 50,000 in the affiliated unions, and the individual membership of the C C F is about 75,000—80,000.

After a time, and entirely voluntarily, as a result of the natural development of the pre-C C F political parties, they voted themselves out of independent existence. Sometimes right away, sometimes it took a longer time. In all cases, the pre-C C F units no longer exist.

There is now in the C C F across the country from coast to coast—in some Provinces strong and in some weaker—a network of constituency and local club organisations of the C C F stretching from the Atlantic to the Pacific, including industrial workers, middle-class people and farmers equally. In addition, there are a number of affiliated unions, and the likelihood that affiliation of the trade unions to the C C F will in a short time become accelerated.

THE C C F—A PARTNERSHIP

The name Co-operative Commonwealth Federation probably strikes many comrades outside Canada as a mouthful, and a strange name. The words Co-operative Commonwealth were, it seems to me, an inevitable way of answering the Canadian situation. The word Socialist has come to have so many meanings as to be meaningless, and in Canada would have had about a dozen different interpretations. The word Labour alone would not have done. Although C C F is a mouthful, it is a happy choice, and the initials only are mainly used.

The approach of the C C F is different from that of the other parties represented here. We do not speak of the C C F as a Labour Party, as mainly representing industrial workers, and even more particularly the organised industrial workers. We speak of the C C F as a People's Movement, and the name was chosen to give that wider connotation. Our political task is to weld all three of the people's classes in the country—the people whose objectives are identical with the objectives of the workers and farmers.

We constantly tell Canadian people, and in our activities and in our daily thinking emphasise to ourselves and to them, that the C C F is, and must remain, a partnership between industrial workers, farmers and middle-class people, so that it is a political instrument to create the change which is needed.

The farmers have played a dominant rôle in the formation and direction of the C C F. The first election to Government was in Saskatchewan, which is probably about 90—95 per cent. rural. Most of the non-rural people of Saskatchewan are the appurtenances of the rural community. The vast majority of the people are farmers, and the C C F itself is predominantly farmer in Saskatchewan. There is hardly any manufacturing industry in the Province. In the legislature of Saskatchewan, where we now have the Government, we have 47 out of 52 members, and out of the 47 members there are 30 farmers and a farmer's wife. The others are 6 or 7 railway workers, a few school teachers, one lawyer, and a clergyman—the Premier.

The formation of the C C F was actually initiated by the farmers of Western Canada. The part played by them was very much greater than that played by the non-farmers in the earlier years of the C C F. There are many reasons. First comes the nature of the population on the prairies of Canada. Many farmers came from Northern Europe and have the traditions of the Scandinavian countries in co-operative and socialist thought, and experience of independent political action. Many have taken part in the trade union movement of this country—they came across with the trade union tradition. The nature of agriculture in our country is mainly individual family-owned farming. No landlords such as you have in this country. Then the development in Western Canada of co-operatives for marketing farm products. These various factors, plus the particular nature of the industry, which was dependent entirely before the war, and is now, and will be after the war probably, on foreign markets ; all these elements were responsible for the political awakening of the Western farmers of Canada on a wider scale and in a deeper way than with the industrial workers of Canada. They were ahead of the industrial workers, apart from a few pockets. By and large, as a single group in the community the Western farmers took progressive political action before the industrial workers.

This fact, that the farming community took a major rôle in the formation of the C C F, makes it certain that the C C F will always remain as much a farmers' party as it is a party of the industrial workers and urban people generally. Farmers' representatives were present in 1933 at the first Convention of the C C F which issued our Regina Manifesto, which is throughout a socialist document. They subscribed to this outspoken, outstanding socialist programme, which the Manifesto represents.

They won the issue, and were right in fighting for it—that agriculture should be based so far as possible on the family ownership and on the family farm. In the C C F programme there is no suggestion of the nationalisation of the land or farms, and every time it has been brought up at our Convention it has been defeated. We strongly believe that there is no incompatibility between that and the socialist programme.

We have neither a landlord class for the land, nor the agricultural proletariat which you have in this country. The farms are mainly owned by farmers, subject, of course, to mortgages, and they are operated mainly by farmers and their families, with a very small agricultural proletariat—casual

workers only working part of the year. The intense mechanisation of the farms has made less and less labour necessary.

The mortgage condition of farms before the war was one of the issues which united the farmers behind the C C F. As every Labour Party takes it for granted that its job is to fight the day to day issues of the industrial working-class movement, for trade unionism, higher wages, etc., we in the C C F take it that we also fight for the farmer, and his mortgage state, security of tenure, etc. Some of the things which New Zealand has done we have copied with benefit into our programme.

In other words, I want to emphasise that the C C F is a partnership of the three groups which I have mentioned, and in all its thinking, all its activities, and all the time it is conscious of that partnership. We have approached our organisation problems from the same basis. We have said, and are saying, that we cannot at any time allow an organisational or structural set-up which would give any one of the three groups a stranglehold on any other of the groups within the party.

Trade union affiliation to the C C F is progressing, and there is an excellent relationship between us. The actual working out of that relationship has not been finalised. All our work so far has sprung from the conviction that the trade unions, no more than the farmers or the middle-classes, should be given at any time a predominant controlling hold on the C C F. We seek trade union affiliation on the basis of retaining this partnership.

THE STRUCTURE OF THE C C F

The trade unions send delegates to our Provincial Conventions and National Conventions. The structure in Canada is much the same as Australia. There are nine Provinces, and the C C F consists of nine provincial sections, and a National organisation combining them. In some of the provinces the C C F Clubs are represented at the Provincial conventions on the basis of one delegate per 25 members, while the unions are represented on the basis of one delegate per 100 members.

We are determined in the C C F to preserve at our Conventions the principle of one delegate one vote. Also, that the election of National and Provincial Councils and Executives should not be divided into interest groups. We believe that, so far as possible, our political party must remain a Canadian citizens' movement, uniting all citizens of the country, from whatever groups they belong and whatever peculiar interest they may have.

We carry on the usual continuous educational work common to all Socialist parties. We have thousands of study groups across the country and carry on activities of the normal type, which are having a tremendous influence on the thinking of the Canadian people. Political competition is now from the left, and this is due to the growing strength of the C C F and our educational work.

I should like to mention that we are suffering very greatly from lack of funds in the C C F, and therefore a lack of adequate organisation and adequate work by our movement. Our money is raised entirely by membership dues and the small contributions of workers and farmers across the country. We have made tremendous progress in 12 years, particularly the last two or three. The best example I can give you is that of the National Office, whose budget for a year—for a country with a population of 11½ millions and with nine Provinces—is $35,000 ; at the National Office we have only two full-time people—a National Research Director and a National Secretary—with a small stenographic staff of four. A similar picture can be painted for each of our provincial sections.

IMMEDIATE PERSPECTIVES

I think it can be said without exaggeration that the C C F is now a major political force in Canada, and that there is every likelihood that after the next Federal Election the C C F will be either the first or the second party in the Federal Parliament. It is quite possible that after the next Federal Election no party will have a majority in our Federal Parliament, and the C C F may possibly be the largest single group. There is every likelihood that the C C F will be the second largest party in the Canadian Parliament and will be the alternative to the old-line parties in our country, and its influence will be similar to those Labour Parties in the Commonwealth which are not in power.

We are now the Government in one Province—Saskatchewan—and the official opposition in three others—British Columbia, Manitoba and Ontario ; and we have every chance of winning other Provinces West of Quebec and also Nova Scotia. We therefore look to the immediate future in Canada with a great deal of hope.

What are the issues on which we approach the Canadian people ? Apart from general Socialist propaganda, I would suggest roughly that we are trying to get the Canadian people to learn the lessons which this war should teach them if they are willing to learn. That is to say, in order to have full employment and a programme of social security, which everyone desires after this war, it will be necessary to have a national plan for peace as well as war, and it will be necessary for the Canadian Government to do the job. It will be necessary for the Canadian Government to undertake ever-widening activity through social ownership and control of the Canadian economy.

Canada is one of the most monopoly-ridden countries in the world, more monopoly-ridden relatively than the United States. Most of our industries of any consequence are monopolies in one form or another. The Canadian Government has spent about $800,000,000 on capital equipment and plant for the war, which it owns. The C C F states that all Government owned plant and equipment must be retained under national ownership, and as much as is suitable converted to peacetime production under public ownership and not given to any private monopoly in Canada.

We insist to the Canadian people, on the basis of their war experience and not on abstract argument, that if they are to have full employment they must have the control of investment in Canada as they have had it, to some extent, in wartime. Therefore our banking credit system must be nationally owned in order to be able to control and direct national investment and support a programme of social security.

We point out that you can have these things if you have a plan and the organisation of investment. You can have them only to the extent you have a wide measure of socialisation in the control and ownership of the Canadian economy.

After the war we shall have a problem similar to that of Australia, the division of powers between Federal Parliament and Provincial Parliaments. We do not know yet what the answer of Canadians will be. Our constitution is in a different state from that of Australia. We have no provision in our Constitution for amending it in Canada ; it can only be amended by the British Parliament in Westminster. I should like to say that the C C F has always been in favour of amending the Canadian Constitution to give the Federal Parliament power to deal with problems in the forefront of our policy, and to transfer the power of amendment from the Parliament at Westminster to that of Ottawa. We have recognised that the Constitutional problem will be an important one and have placed it in the forefront of our policy.

Briefly, the political situation in Canada is that the Liberal Party will probably become the major capitalist party and the Conservative Party in

Canada will take a similar place to that of the Liberal Party in Great Britain, because our Liberal Party is as conservative as your Conservative Party.

A TIME FOR GREATNESS

In conclusion, I think all of us in the C C F are convinced of two things, the first is that the Canadian people—and this is probably true of the people in other countries—are increasingly ready for the socialist programme of the C C F. They may not be ready for it in the sense of understanding and caring about the technical steps which will have to be taken, but I am convinced that the Canadian people are ready for a fundamental social and economic change.

The question we ask ourselves in the C C F is how can we make ourselves ready for them.

Secondly, we are convinced in the C C F that, without being dogmatic and without being doctrinaire, this of all times in the history of the world is a time when socialist parties must stand firmly and very determinedly by their principles and their objectives, and that the people are in a mood to take imaginative, courageous and determined leadership and will pursue an imaginative, courageous and radical policy. We must maintain our principles and act in accordance with them without any division and without any consideration of expediency or anything else.

Believing that the Canadian people are ready for us, and believing also that we must maintain and pursue our policy without fear or favour, we look to the immediate future in Canada with a great deal of hope both in the provinces and federally.

The Future Structure of British Industry

Austen Albu

Planning, in the end, must come down to decisions on the use to be made of resources : on what is to be grown and made, imported and exported. Financial planning can ensure that there are no restrictions preventing the use of all available resources, but socialists, even when admitting that a large part of industry must for many years remain privately owned, cannot accept the view that the proportions of expenditure on consumption and investment and the actual nature of investment can be left to the haphazard decisions of individuals or organisations not subject to direction within a general plan. For this reason the Labour Party advocates a National Investment Board by means of which private savings can be used for socially desirable ends.

Very little work, however, appears to have been done on the structure of British industry which will be both desirable and possible in the conditions that will exist during, say, the next twenty-five years. Plans have been discussed for increasing the organisational and technical efficiency of individual industries and for the physical planning of separate areas. All this is too reminiscent of the inter-war attempts at curing unemployment by means of Development Boards for the Distressed Areas. These were never more than first aid measures designed to introduce a variety of trades where previously an area had been mainly dependent on one industry or a group of related industries. Apart from the fact that these methods were bound to be ineffectual as long as the general demand for goods was low and general unemployment high, they were not in any way related to a general plan or based on any survey of potential demand. New industries built up in conformity with a nationally co-ordinated plan would provide cumulative increases of employment and productivity and these would ensure a continuing rise in the national income.

For such a plan to succeed long term capital expenditure must be based on reasonable and careful forecasts of the future ' shape ' of industry in this country. The methods of arriving at these forecasts will be partly technical, partly statistical and economic, partly sociological and partly political. Political decisions must determine the desirable objectives of economic policy ; the proportion of national income to be devoted to education, national defence, research ; the amount for immediate consumption and the amount to be invested for raising the standard of living in the future. Of the amount to be used for immediate consumption, part will be socially consumed (social services, school feeding, hospital and health services, food subsidies), while the way the remainder is spent will be the resultant of several forces ; the variation in size of individual incomes ; the price of goods and services ; the changing tastes of the population. Social survey methods will have to be used to determine the latter and to provide reasonably accurate judgment of the effect on demand for different classes of goods of changes in the factors mentioned above and in the distribution of the national income.

THE FUTURE OF OUR FOREIGN TRADE

The most important economic decision that will have to be made will be the extent and nature of foreign trade. A rising national income, resulting in higher wages in the pockets of consumers, will create a demand for imports which, if uncontrolled, might be out of proportion to the parallel demand for

home produced products. It is generally expected that the post-war conditions of international trade will necessitate a strict control over the quantity and source of imports. They must not exceed our capacity to export and they must come from countries willing to accept goods in return. In addition to some restriction of imports which can be manufactured at very little higher cost at home, there must be a positive policy of expanding new industries for whose products suitable markets will exist. In the early days of the industrial revolution, our export trade consisted largely of textiles and simple consumable goods. In the 1860's more than 60 per cent. of British exports consisted of textiles and apparel. Towards the end of the century, chemicals, machinery, coal, and iron and steel had become major items. At the beginning of this century, with total exports still rising rapidly, the latter continued to grow, although now feeling the competition of Germany and the United States. Between 1910 and 1938, the proportion which textiles and apparel formed of our total exports fell from 38 per cent. to 21 per cent. After the 1914 war the competition of other producers, growing use of oil, and greater efficiency of steam generation and prime movers lowered coal exports. On the other hand, exports of machinery, electrical appliances, vehicles, and chemical products rose from less than 14 per cent. of total exports in 1910 to 31 per cent. in 1938.[1] It should be borne in mind that these proportions were of a contracting total volume of exports. It is generally agreed that, if imports are to remain at pre-war levels, our exports after the war will have to be increased in value by anything from 50 per cent. to 100 per cent. The problem, therefore, must start with a consideration of the reasons for the changing proportions of pre-war exports to ascertain whether or not the trends were permanent ones.[2]

EXPORT INDUSTRIES

A little consideration will show that any country becoming industrialised for the first time will start with those industries which (1) exploit local resources and (2) do not require a high degree of technical skill. Among the former coal and ore mining and similar extractive processes come first ; among the latter, the cheaper types of spinning and weaving, and the manufacture of simple domestic articles (pots and pans and similar hardware goods). The attempts, therefore, to revive these industries as the mainstay of our export trade is against all reasonable estimates of international economic development. In addition, the raw material of textiles has to be imported and in the total value of the product this plays a very high part compared with the cost of labour. In other words, the amount of indigenous value exported in textiles is low.

This disproportion will become more marked if the terms of trade go against us ; that is, if the prices which we have to pay for primary products rise in relation to the prices we obtain for manufactured exports. On the other hand, as countries previously at a low level of industrialisation develop manufacturing industries, the demand for capital goods (plant and machinery) will rise ; the rate at which this takes place will depend on the willingness of other countries to make loans and grant credits. At the same time the rising standard of living in these countries will create a demand for higher quality goods and semi-finished products requiring a high degree of technical skill in manufacture.

It is clear that the trends in evidence between the wars will continue and that, whatever is done to improve efficiency in the textile and mining industries, they can never regain their relative importance in our total exports. In textiles the concentration should be on the very highest grades and on artificial

[1] 1938 figures taken from *Accounts Relating to the Export Trade of the U K for the Years 1938, 1942 and 1943.* H M S O.

[2] For an examination of this subject, see *Industrialisation and Trade,* A. J. Brown (Royal Institute of International Affairs).

yarns, which can be manufactured from indigenous raw materials. In general, we must expand those industries in which the proportion of labour to imported raw material is high and in which scientific knowledge and technical skill are needed. There are several semi-finished products which come in this category and of which it should be possible to increase the export. They include the highest grade alloy steels and non-ferous alloys ; tinplate and high grade steel sheet ; light alloy products ; the new chemical products, such as plastics and solvents, many of which can be produced from coal. Whether or not this will be possible depends on the existence of markets at home, or agreements with other countries to provide them abroad, of sufficient size to warrant the installation of the most up to date plant and the scrapping of obsolete plant on conditions which do not create a financial drag on the industry. Before the war Wales was supplying half the world's imports of tinplate, but much of the plant on which it was produced was out of date. The continuous strip mill installed by Richard Thomas and John Summers has rendered obsolete the old 'pack' mills for the production of the steel base sheet. A more recent development in the United States is the continuous electro-tinning plant : entirely automatically controlled by electronic devices. The previous disadvantage of the electro-tinning process compared with the hot-tinning method was that the resultant sheet had a dull, matt finish which was not so resistant to corrosion or so clean for food packing. In the latest American plants this is overcome by passing the electro-tinned strip through a tower heated by high frequency current which causes the tin deposit to melt and flow, resulting in a polished surface. Obviously the market for tinplate is closely bound up with the agricultural and nutrition policies of the countries with which we trade. A great increase in food canning would provide the biggest possible enlargement of the market for tinplate. It should be borne in mind that the continuous strip rolling mill also produces a quality of plain steel sheet far superior in accuracy and workability to sheets produced by the older methods. It is particularly used for the bodies of motor cars.

The light alloy industry (manufacture of aluminium, magnesium and their alloys and fabrication into sheets, bars, sections, castings, etc.) is dependent on plentiful supplies of cheap electricity. Aluminium has been mainly extracted from imported Bauxite ore. All clays, however, contain aluminium in some degree and there are several processes by which it could be extracted from native clays which have economic possibilities. The same applies to the production of magnesium from sea water. The relative sizes of the British and American industries indicated in the White Paper on the war effort of the United Kingdom[1] seem at first sight discouraging to those who believe in these possibilities : much depends, however, on new uses for these metals. The development of die-casting and of anodic finishes (impervious finishes capable of being dyed brilliant colours) has only just begun ; while the use of light alloys as structural components (in buildings and in vehicles) might become a real possibility if the price were to come down. It has been estimated that the economic price of aluminium after the war will be around £40 a ton as against the price of £100 before the war. Finally, as with everything else, the financial ability of other countries to buy from the United States may be a deciding factor in British exports.

The chemical industry is complicated by the fact that most of its processes result in more than one end product, which is one of the main causes of the high degree of integration found in the industry in all countries. The newer chemical products such as synthetic petrol and rubber and plastics have caught the popular imagination, but many of them are still in the development stage and not capable of economic production. Petrol, rubber and several of the plastics

[1] In 1943 British production of aluminium was 56,000 tons and imports were 212,000 tons.

are important for Britain because they can be produced from coal and in the process give rise to other products such as paint solvents, calcium carbide (used for acetylene welding), nitrogenous fertilisers and so on. These plastics include types generally known by their original trade names as 'Bakelite', 'Nylon,' 'Perspex' and the group of 'polyvinyls' from which are produced lacquers and varnishes, artificial leathers and rubber substitutes suitable for covering electric cables and for transmitting corrosive liquids. In the case of some of these materials, strategic considerations enter which would offset purely economic criteria ; carbide is a case in point.

THE CHANGING STRUCTURE OF ENGINEERING INDUSTRY

Both the metallurgical and the chemical industries have two things in common ; they are big consumers of engineering products and of electricity. The engineering industry will, therefore, be considerably affected both in its magnitude and structure by the extent of the expansion of these industries. Professor Postan in a recent lecture[1] drew attention to the fact that, although the engineering industry had been continually expanding, the balance between the different trades composing it had greatly changed. In particular, the heavier branches had been contracting while the lighter branches, including electrical engineering, had rapidly expanded. The following table illustrates these changes :

–	*Employment* ('000)			*Nett Output* (£ *mill.*)		
	1924	1930	1935	1924	1930	1935
Shipbuilding and Marine Engineering	203	191	113	34	39	21
Railway Carriages and Wagons	29	23	21	5	4	4
Motor and Aircraft ..	204	262	315	48	59	72
Electrical Engineering ..	151	192	248	33	45	57
TOTAL : Engineering and Allied Industries ..	985	1,073	1,104	148	229	249

After the replacement boom in Shipbuilding and Railways, these sections of the trade must be expected to become relatively stable, but the plant and machinery sections which are the core of the industry will be very much affected by national investment plans. An expansion of light alloy manufacture or of plastics would encourage development of machines for forming and fabricating these products as well as of chemical engineering plant for their production. Developments of this nature based on home demand would provide technically advanced goods suitable for export. The whole field of specialised machinery and precision instruments is capable of considerable expansion and would be encouraged by the large scale production of new materials. Switzerland has shown what a country with few natural resources can do in this field. On her original watch and clock industry she has built up a manufacture of precision machine tools without comparison anywhere in the world. Before the war, the British machine tool trade was far behind both the American and the German. During the war the value of its annual output has risen

[1] 'Post-war Reconstruction in the Engineering Industry'. Professor Postan, *Institution of Production Engineers' Journal*, July 1944.

from below £8,000,000 (employing about 20,000) to nearly £50,000,000. Pre-war exports amounted to little over £4,000,000, and it has been estimated that this could be increased after the war to £8,000,000.[1] Obviously the industry must specialise in certain classes of machines. It cannot, for instance, hope to compete with the U S in machines for mass production because of the enormous demand in the U S. But even American industrialists believe in the possibilities of the British machine tool industry. The Editorial Director of the American trade paper *The Iron Age*, speaking recently in this country, said 'As for the much-talked-about superior efficiency of American production, I find that it applies to those mass-production products where demand is such as to permit of integrated mechanisation. This is possible for a limited number of products where demand is of the order of 130 million people, but not possible where the population is but 40 million. Thus with a market of 5 million automobiles per year, we can manufacture more cheaply than you with a market for 500,000. On the contrary, on small lots, as witness machine tools, your costs are but 50 per cent. of ours, type for type. Part of this is due to a somewhat lower wage scale than in the States, but the principal reason lies in your general use of incentive pay. You pay for work put out ; we pay for time put in. Comparatively few concerns in the States apply the incentive system.'[2] One of the great advantages of a highly developed machine tool industry is that it forms a first class training ground for skilled engineering craftsmen and production engineers.

During the war, also, there must have been a great development of precision instruments of all kinds ; radar and other electronic equipment, bomb sights, measuring appliances and so on. It is known that one large firm is contemplating manufacturing clocks and watches on a mass production scale, and no doubt the skill acquired during the war in similar fields can be turned to peace time uses.

Although there will certainly be a greatly increased export of aircraft and motor cars, it would be false to believe that in the latter we can seriously compete with the U S. Dr. L. Rostas has shown that the output per head of the American car industry, due to its greater mechanisation, is four times that of the British. The arguments of the motor manufacturers that their export possibilities are seriously affected by our methods of taxation do not bear examination in the light of these economic facts. The truth is that the British car industry can hope to compete with the American only on one of two conditions ; that it becomes concentrated in the hands of one or two manufacturers or that the level of individual incomes in this country should rise sufficiently to enable three or four times as many people to purchase cars.

CHEAP ELECTRICAL POWER

Electricity, cheap and plentiful, is more than ever the key to modern industrial progress. This applies not only to the preparation of many raw materials, but also to many of the newer manufacturing processes. But electricity is also the basis of modern farming and a necessary consumers' product. The combined effect on agricultural and industrial activity and on the standard of life of a cheap electricity policy can be seen in the communities within the area of T V A.[3] Before the war about two-thirds of families in Great Britain had an electric supply ; the rate of expansion of electricity consumption was rising higher in this country than anywhere else (between 1929 and 1935 it rose 70 per cent.), and the Central Electricity Board has recently announced plans to increase it by a third in the three years after the

[1] These figures are taken from a Memorandum on the Machine Tool Industry prepared for the Society by Mr. Louis Ferney.

[2] Quoted in *Sheet Metal Industries*, December 1944.

[3] T V A. David Lillienthal. A *Penguin* Special.

war finishes. Consumption depends on price and in 1938 the average prices of electricity per unit were 1.69d. for domestic and 0.65d for power purposes. For some chemical processes (*e.g.*, production of calcium carbide) it was supplied at 0.35d.; but it has been estimated that in order to compete with imported carbide the cost would have had to be reduced to below 0.20d. per unit. Modern steam plants are reaching the limits of thermal efficiency and further reductions of cost must largely depend on increase of load factor, reduction of costs of transmission and on the use of the heat contained in the steam exhausted from the turbines for other purposes : either industrial or for the communal heating of towns on lines already well tried in the United States and Russia. Possibilities of hydro-electric generation from inland waters are very limited, but the Severn Barrage Scheme needs reconsideration. When the scheme was last considered, coal was around 18s. a ton and interest rates estimated at 4 per cent. To-day, with coal at 30s. and the Government borrowing money at less than 2 per cent, the economic possibilities have radically altered. These arguments indicate that in the future it may be necessary to look upon coal less as a fuel for home consumption and export and more as a raw material of industry.

A big electricity programme aimed at increasing the number of consumers and cheapening the price would enormously develop the light engineering trades manufacturing household appliances. If it were aimed at the rural consumer, as well as the urban, it would not only be a potent factor in any agricultural programme but also give rise to a secondary industry of agricultural appliances. For instance, if it were planned to increase the consumption of home produced milk products, there would be a demand for grass drying equipment, electric milking machines, milk coolers and refrigerators, electric pumps, motors for chaff cutters, butter churns and so on, which, if of advanced design and good quality, would be capable of export.

NATIONAL PLANNING

In the short space of this article it has been impossible to do more than hint at the problems of interrelation between industries that confront the planner. Two main conclusions however emerge. The first is that a conscious effort must be made to reform the structure of British industry in keeping with technical and economic developments throughout the world. The second is that it is impossible to consider plans for single industries or single regions in isolation. This is well expressed in the Report of the Welsh Reconstruction Advisory Council.[1]

' There are innumerable problems of national policy the solution of which must lie elsewhere and any programme for Wales must work within a framework of ASSUMPTIONS regarding the major aspects of national policy.' (Para. 57.)

' Wales may eventually need an *integrated* coal-oil-power-and-chemical industry, developed *as a whole* (though not necessarily under any one form of ownership and control). Such an integrated industry would take account of what may be called ' public profitability ' and ' overall profitability of the industry as a whole ' as well as the simple commercial profitability of the individual sections of the industry.' (Para. 118.)

Only a national economic authority can take decisions based on such considerations, which may involve making investment in capital equipment which would show no profit on an ordinary cost basis, at any rate for many years. The profit and loss account of planned industry cannot be an arbitrary selection of the results of industrial effort at a fixed moment of time but an economic report of enterprises industrially linked and in a condition of continuous growth.

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[1] *Welsh Reconstruction Advisory Council*: *First Interim Report.* H M S O 1944.

ORGANISED LABOUR IN WAR-TIME

Donald G. MacRae

The Labour Party in this country is a party of the organised workers, of the Trade Unions. No socialist can doubt that this is right and necessary, but very many socialists do consider that the preponderance of T U influence inside the Party is a misfortune, even a disaster. Yet there is much ignorance alike of the development, character and trials of organised labour.

It is not my intention to attempt to deal with the rights and wrongs of the widespread resentment against the influence of the Unions in the Party. All I want to do is to give some account of the situation and history of the organised workers in this war and show why the experience of 1914–18 is a very unreliable guide for the understanding of the present. This last is particularly important as the labour disputes and struggles of 1914–18 have tended to become of Homeric size and portent to those who look on them in retrospect or read the many books written, directly as histories or autobiographically, on that period.

This war, for example, has seen published in Glasgow two studies, one Anarchist, the other Communist, of the life of the Clyde revolutionary, John MacLean.[1] MacLean *was* a great figure; but any creation of myths is dangerous when it dazzles the young or clouds the judgment of their elders.

THE WORKER AND THE NATIONAL INCOME

First, let us consider the general economic background of the workers in this war. In 1939 the national income of this country was £4,968 million: by 1943, it was £8,172 million, of which £2,909 million were wages. In 1939 the share of wages had been £1,826 million. Mr. Kalecki has calculated that the relative share of wages, after deducting soldiers' remuneration, residential rents, the gross income of retail trade and income received from overseas, fell from 50% in 1939 to 47% in 1941 and 48.5% in 1943[2]. In other words, the share of wages has remained fairly constant, falling only slightly, in the first four years of this war. In these four years the cost of living, as measured by the inadequate 1914 index, has risen from 155 points (1914 = 100) in January 1939 to round about 200 points. Rationing, price control, subsidies, have sufficed to keep it at this level from April 1941 to April 1944, a remarkable achievement. But while the cost in January 1939 of living has been thus stabilised the wage level rose steadily from 105 points (1924 = 100) to 145¼ points in December 1943.

Now in the last war nothing of this sort happened. The cost of living index number (July of each year) was as follows[3]:

1914	1915	1916	1917	1918
100	125	161	204	210

The rise was constant and stabilisation was only approximated in 1917–18. What is more there was a much greater *total* increase than in the present war. Wages (rough percentage increase on 1914 level) lagged far behind, the gap being greatest in 1917[3]:

1914	1915	1916	1917	1918
100	105–110	115–120	135–140	175–180

[1] G. Aldred, *John MacLean*, 1940, and T. Bell, *John McLean*, 1944.

[2] M. Kalecki. "The White Paper on the National Income and Expenditure 1938–1943." *Oxford Institute of Statistics Bulletin*, Vol. VI, No. 9, 1/7/1944.

[3] A. L. Bowley, *Prices and Wages in the United Kingdom, 1914–1920*. Oxford, 1921.

Again in this war rationing has worked with relative efficiency and has applied to a far wider range of commodities than in 1914–18. Personal consumption has shrunk by about one-fifth for the whole civilian community, but the workers have suffered less from this than other classes, while the food consumption of the previously unemployed and the lowest income groups has greatly increased. Even clothing—personal consumption of which has sunk by two-fifths for the civilian community as a whole—is probably relatively more available to the lowest income groups than ever before because of full employment, price control, rationing, and utility lines.*[1]

Finally, 52 hours having been made the standard working week in factories and 46 in offices from May 1942 on, there have been few worsenings of conditions in regard to hours, overtime having been paid uniformly. (I except from this statement the scandalous pottery and cotton spinning orders by which 52 and 53 hours per week respectively were imposed on children 14–16. These orders—23/12/1941 and 5/2/1942—were revoked in May 1942.)

THE SETTLEMENT OF INDUSTRIAL DISPUTES

Secondly, in this war arbitration and bargaining machinery are on an altogether new level. Joint Production Committees, Yard Committees, etc., have played, where the management permitted, a great part in smoothing out disputes and improving production. Beyond them is the national arbitration machinery. This has suffered from too great exfoliation into minor and subordinate organisations and from over-rigidity. Its decisions, theoretically binding the disputants, have not always been just, nor has their theoretical finality always proved real. Yet it *has* had a real success.

Under Defence Regulation 58A an order of July 1940 provided that any trade dispute, not otherwise settled, could be submitted to the Minister of Labour who would then either refer it to the appropriate machinery, or who, if no suitable machinery existed or the existing body was in any way incompetent, would bring the matter before the National Arbitration Tribunal. This body of workers, employers' representatives and independent persons deals with some three cases each week.

This new instrument is not unique, and up to the end of 1943 some sixty new National Joint Industrial Councils, Conciliation Boards, Committees, etc., were instituted. This number is too great for efficiency, but they have proved very useful for all that.

Theoretically all strikes are, under Regulation 58A, illegal unless reported and not referred for settlement within three weeks of the report. In fact, of course, the penalties against illegal strikes have but seldom been enforced, while those against lockouts have, inevitably, been unnecessary in wartime.

I do not think the contrast between the complete and fairly satisfactory machinery of this war and the confusion and turmoil following the Munitions of War Acts from 1915 need be emphasised; nevertheless the contrast between the two wars is not to be explained merely in terms of a fairer deal economically for the workers, of arbitration machinery designed by Trade Unionists in the Government, of Joint Production Committees in the factories, or of the Restoration of Pre-War Trade Practices Act, 1942, and the Reinstatement in Civil Employment Act, 1944, which suggest a return to normal trade union conditions for all workers, and to their old jobs for the Civil Defence and armed Forces. The explanation must also largely be, using the word in a very wide sense, ideological.

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* This drop in gross consumption is even less serious if the shrinkage of the civilian community proper as a result of mobilisation is taken into account.

[1] G. L. Nicholson, *Changes in Consumption, 1938–1943.* (Oxford Institute of Statistics Bulletin, Vol. VI, No. 13, 23/9/1944.)

NATIONAL UNITY

This brings us to our third point: the fact that, save for the I L P and minor Trotskyist and Anarchist groups, there has been in this country since June 1941 a unity of the whole left that has been, at root, the unity of the working class, i.e., of the trade unionists, against Fascism. Nothing of the sort existed in 1914–18. Our alliance then included Tsarist Russia; the example and propaganda of the 1917 revolution confirmed a long-growing disillusionment with the war, economic causes exacerbated deep class hatreds, and no consciousness of shared peril made the upper strata of society feel that their cause had anything much in common with that of the workers. Propaganda against war and imperialism has never in this war rivalled the intensity of 1914–18, when the *Herald* was an organ of revolution and the tradition of the *Clarion* pioneering days survived. Again, in this war, the ideological influence of the alliance with Russia cannot be over-emphasised.

The collaboration of Labour in the coalition has brought with it pride and power and an awareness of shared mastery and guidance in the direction of the war. The successes of labour ministers, the hope of legislation favourable to the working-class as a consequence of the coalition, the promise of Beveridge, have all played a part in this change of attitude towards industrial disputes. So, too, have done the J P C's, and their share in more efficient production and shop control.

Thus with a new confidence has gone a new sense of unity. In the last war the part of Labour and the Trade Unions was smaller formally, far less in practice, and produced little or no sense of community and joint purpose. In this war community, the common danger and purpose, have always been active to lessen the bitterness of industrial disputes and turn the minds of the workers to limiting, not, as in 1914–18, extending, their duration and extent. But the alteration in ideology goes deeper than this: not conscious strength and united national aims alone have gone to limit the violence of industrial disputes once a reasonable economic deal, all things considered, was obtained by the workers.

DIMINUTION IN MILITANCY

There has been, to alter the pattern of trade union and strike activity, a diminution in militancy since 1918. Those who make this point as a reproach are to an extent right: it is not the whole explanation of the change, but it *is* part of it.

The war of 1914–18 from the point of view of British Labour history was an episode in what Max Beer called ' The Mass Strike Movements '. These were movements of strength and hope; the Unions had grown unprecedentedly, Labour went forward, apparently remorselessly, to power, and had as yet suffered no real defeats. The militant working-class believed Socialism to lie ahead in the very near future—and often acted in this confidence. The doctrine of Syndicalism, the De Leonist version of Marxism, the steady onset of depression, the triple alliance of giant fighting Unions, the influence of Blatchford's *Clarion*, small intensely active propagandist groups scattered about the country, the industrial battles of 1912–13 in which a frightened government had men shot dead, violence brewing in Ireland and Larkin's leadership in the Dublin general strike, all combined to give the workers an impetus and optimism unparalleled.

In 1939 the broken promises of the 'twenties, the defeat of the general strike, the Trade Disputes Act, the savage years of the post-1929 depression, the betrayal of the belief in ' progress ' both nationally and internationally, the political and moral disaster of Labour in 1931 meant that this war was entered in a mood unconfident and disillusioned. Only in the coal industry

where class struggle and economic depression were worst, was a militancy left —not born of hope but of disgruntlement and despair.

A COMPARISON OF STRIKE ACTION

The actual pattern of strikes in the two wars can now be examined with some understanding, and, while it is clear that provocation[1] to strike action has not diminished, the limiting effects of the factors analysed above on duration and extent can be seen:

Year	Number of Strikes	Number of Men Involved	Number of Days Lost
1914 ..	973	446,205	10,104,700[2]
1915 ..	674	445,936	2,969,700
1916 ..	525	268,367	2,581,900
1917 ..	688	820,727	5,513,900
1918 ..	1,252	1,096,828	6,237,100
TOTAL ..	4,112	3,078,072	27,407,300
1939 ..	940	337,000	1,350,000
1940 ..	922	299,400	940,000
1941 ..	1,241	359,800	1,075,000
1942 ..	1,281	457,000	1,527,000
1943 ..	1,775	559,000	1,810,000
TOTAL	6,159	2,012,200	6,702,000

The interesting column is the last: it is the justification of the foregoing, and yet shows how the factors leading to the comparative brevity and localisation of strikes in the present war were also to some extent present in 1914–18.

In the last war the centres of industrial unrest were in the engineering—including shipbuilding—and textile industries. In 1914–18[3] strikes caused a loss of 4,751,000 days in engineering and 2,706 million in textiles. In 1939–43[4] the comparable figures were 1,238,000 and 159,000 respectively, and the heaviest strikes had occurred in the coal industry—though less severe, even there, than in 1914–18.[5] The Clyde has in this war been very quiet, and, 'During 1943 only 0.2 per cent. man-days were lost in the shipbuilding and engineering industries of Clydeside'. But, while in the first four months of 1943 283,000 days were lost through strikes, in the corresponding months of 1944 the figure was 2,287,000 days—more than for any previous year of this war. The explanation is the occurrence of the great coal and engineering strikes.

The coal strikes of 1944, like continued absenteeism, are not the result of the activity of a few Trotskyists, and their cure is not I A A. No workers, cut

[1] Strike action is probably encouraged by the wide range of war-time income tax which makes stoppages less unprofitable to the workers.

[2] Including the end of the Dublin general strike.

[3] August-July, not, as hitherto, calendar year figures.

[4] September-August.

[5] A. L. Bowley, "Labour Disputes in War-Time", *London and Cambridge Economic Service*, October 1943.

off from the rest of the community, had fought and suffered more, been exploited more thoroughly, venomously, and persistently than the miners. By 1939 some recovery from the slump was evident, and efficiency, measured by gross production per man was superior to that of 1938. Thereafter it sank from 301.9 tons per man (1939) to 274.8 tons per man (1943). At the same time accidents increased to over 166,000 in 1942. The miners were growing old, and this predominance of the elderly was furthered by the drain of manpower after Dunkirk. The result was an increase in the proportion of embittered and suspicious men in the labour force. Yet it was not until 1943 that any serious diminution in output could be ascribed to strikes. Then in the first quarter of 1944 some 2,000,000 tons were lost through disputes—nearly double the quantity for the whole of 1943.

The repression of the miners that followed 1926 reduced their standards to so low a level that the not very generous Green award of August 1942 establishing a national minimum and paying a bonus for increased output proved not unsatisfactory. In 1943 national arbitration machinery was established, but strikes against Ministry of Labour directions, imprisonment of men for going slow, etc., continued and increased, and the Green award, widely regarded as an interim measure, was not replaced. The horrified reception by the public of conscription to the mines (less than 5,000 men were recalled from the Forces by the end of April 1944), aroused resentment among the miners at being regarded as a frightening race apart whose employment was at once dangerous and animal.

In January 1944 the Porter Award gave one pound per week less than was claimed: this was accepted and negotiations were begun on certain piece-rate anomalies which the Government refused to meet from the Coal Charges Fund. The miners, unaware of this, continued to negotiate and concluded invalid agreements. Dissatisfaction with the award, with the negotiations and, in Yorkshire, with payment in kind ('Home Coal'), led to heavy strikes. The loss in days and output we have already seen. On April 20, 1944, came victory, the highest national minimum of any industry, guaranteed until 1948. Two days previously I A A had been introduced.

At the same time other strikes had taken place in engineering in Belfast, Cheshire and on the Tyne. Of these only that on the Tyne could possibly have been Trotskyist influenced. The subsequent release of the Trotskyists alleged to be responsible hardly suggests that it was so motivated.

I A A is superfluous: to the Trades Disputes Act, 1927, the Conditions of Employment and National Arbitration Order, 1940, Regulation 18B (1) and Defence Regulation 2A, it adds nothing but an increase of five years' imprisonment and/or a fine of £500 to the penalties under the 1927 act. Almost by definition Trotskyists don't have £500. On the whole, despite the protest of the Scottish T U C, the Unions have accepted the measure, for the time being. That the post-war world may bring up the question again, more bitterly than ever, seems probable.

POLITICAL CONSCIOUSNESS

And there we must leave organised labour as the German war closes: demobilisation and the Japanese war will produce new problems and the workers will meet them stronger than at any time since 1920, with more confidence than ever since 1931, but with very little optimism. In 1942 there were 7,800,000 workers in the Unions, 6,000,000 of whom were affiliated to the T U C. Those who stand without the Trade Union movement should not forget this fact—neither should they forget that even of the miners only some two-thirds pay the political levy and, of the engineers, only 14%. These figures must be rectified if socialism, built on the strength of the industrial workers, is to be obtained.

A BALANCED TRANSPORT SYSTEM

Dr. Hugh Stowell Phillips

INTRODUCTION

An unplanned system of transport tends to become over-developed on some sides whilst being under-developed on others. A balanced system can only be achieved by utilising different classes of haulage for the appropriate types of goods or passengers, for hauls of appropriate distances and at economic prices. Such a system is difficult or impossible to imagine without central ownership and/or control. It is quite impossible if part or all of one or more sides of transport are subject to monopoly influence.

The following brief summary of the author's conception of the function of the chief modes of transport shows the direction in which it is proposed we should plan in order to achieve a real balance.

In this consideration transport is broadly divided into four main groups of services, all of which are complementary and all of which can be subdivided into many less important categories. First, in point of history, there is the water transport system, which has its inland and overseas, as well as its cargo and passenger aspects. Secondly, there is the road system, the ' dry-roads ' of the Chinese history books. This system subdivides itself into questions of private and public vehicular traffic and passenger and goods carriage. Thirdly, there is the railway system, child and mother of the industrial revolution, and still much as it was in 1870. Here the divisions of underground, suburban and main line traffic are as important as those of passenger and goods transport. Finally, there is the now rapidly developing air transport system. This has its private and public, no less than its ' home ' and international aspects. It is proposed to consider air transport first.

AIR TRANSPORT

(a) The Function of Air Transport

The rationale of air transport is speed. Provided safety can be maximised, speed can greatly cheapen long distance transport by air as opposed to all other forms of travel. Speed is economy. Second only to speed in the economy of air transport is direct passage from origin to destination without transfer. Finally, natural factors can be overcome in the creation of air terminals, more easily than in the choice of seaports. Airports can be constructed on unsuitable land in a year or two, just where they are wanted; but a good harbour is defined already by the labours of nature over millions of years.

These three great advantages will not be fully exploited unless ambitious schemes of airplane and airport development are planned and financed. These potentialities, however, exist, and will increasingly press the claim of the air to first place in international, long-distance and speedy travel.

(b) Private Flying

A future development of vast planning significance will be the increase in the ownership of private planes. These will call for emergency and service landing fields. The coming of the helicopter will lead to roof-landing developments and there will thus be an increased tendency to decentralisation. This

tendency will have to be rigidly controlled both in the interests of agriculture and also to prevent beautiful country areas from becoming residential morasses. This private flying phenomenon can only affect less than 10% of the British population in the next generation, but in vast spaces like America and Russia, where cars are less useful, it may spread much more rapidly. Private air transport is essentially ' inland ' transport and is not well suited to international, or more particularly to ' overseas ' transit.

(c) Public Air Transport

(1) *Passengers.* Public passenger air transport is so expensive, so essentially large-scale and so obviously international (especially for a small country), that it would be fatal not to keep it under strict national control or ownership. National ownership is clearly preferable to the subsidisation of favoured parties, and is, in any case, made more desirable by other international political consideration.

There are two main forms of public passenger aerial transport. The first is known as the ' feeder ' type of service, existing as between large towns in one national area, while the second is long distance traffic. The first calls for slightly smaller airplanes and airports, plying between the minus 300,000 towns and the major metropolitan towns, whilst the latter calls for really vast airports and seaplane bases, mainly situated at the greatest and most nodal cities. In both cases the planning of the airport is the primary problem. The necessary policy can be summarised as one which aims at building large well-planned stations, with quick access to large populations in areas well surrounded by open spaces and low buildings for a given distance. The chief categories of users of civil transport planes will be company-subsidised business men, government officials, buyers, travellers in merchandise, rich tourists, long distance (previously liner-using) travellers as well as middle-income continental holiday-makers. Such traffic will increase 1,000% in the next ten years.

(ii) *Cargoes.* By far the most important inland air cargo will be mail, which will come to be delivered even more rapidly than before. Future post offices will come to develop small-plane landing roofs or will be located at their own private fields instead of, as now, by the railway stations. In the long distance sphere, mail will be an important revenue producer only until the telephoto principle becomes cheaper, but equally important will be the transport of small valuables, perishable luxury foods,[1] samples, urgently required machine tools and medical supplies and goods to be delivered to remote and otherwise inaccessible parts.

WATER TRANSPORT

(a) The Function of Water Transport

Water is the least expensive medium on which to travel, since movement involves the least friction. At the same time real speed on water has not been evolved in a useful form, and the need for terminal facilities is very great and transfer problems are far from small.

The chief advantage of water trasnport is that it seems likely to remain the safest method of crossing the sea for some time to come, and must remain cheaper where speed of movement is irrelevant. It is, besides, essentially the only economic way of transporting really heavy and especially bulky goods in

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[1] It is reckoned that in America a price of 15c. per ton-mile would enable tomatoes to be " picked ripe " and delivered fresh to far off markets, instead of being artificially ripened on arrival. The 1 per cent. of tomatoes involved would provide business for six times the pre-war air cargo fleet.

appreciable quantities. It is in fact responsible for the transport of more tonnage than any other form of carriage, at least in the United Kingdom and America.[1]

(b) Inland Waterways

The least developed side of British transport is the canal system. At one time, however, it was the basis of our industrial development and strength. The decline of the canals has largely been due to increasing railway monopoly and a consequential closure policy. This monopoly has repeatedly been condemned as prodigal of a great national asset, a point on which the Royal Commission of 1909 was emphatic. Greater canals such as the Suez and Panama, have been the basis of much international development, and even greater schemes to come, following the example of the Moscow–Volga Canal, will be of great economic significance.

If developed and unified, with standard 100 ton steam or electric barges, introduced on a big scale, our canal system could greatly lighten the heavy traffic on the railways and could transform towns like Birmingham and Leeds into inland Ports, after the examples of Liege and Moscow. The economy in the delivery of coal and ores and other heavy goods, by canal, is very great, the cost being less than half that involved by rail. This advantage could become still more pronounced were a standard container introduced for different classes of goods, such as facilitated the transfer of goods as between railway wagons, goods lorries and barges or ships. A further great advantage of canals is that they can complement the less sightly development of railways in building up planned nodal areas for industrial estates, and can form an excellent nucleus for factories and warehouses which might otherwise have cluttered-up a river bank. In a planned system the delivery of heavy goods should not necessitate speed in the normal case, and should become increasingly economical by canal as the types of carriers are modernised. The development of new canals and the enlargement and renewal of many old ones is in the national interest.

(c) Sea Transport

(i) *Cargoes.* The carriage of heavy goods, especially exports and imports delivered in vast quantities, is quite impossible by any other method than sea transport, in merchant cargo ships. Such uses of ships, it may be hoped, will increase rapidly with the increase of international trade. The catching of fish is another important use of shipping space. A third is the transport of goods which, whilst they may in themselves not be very bulky, nevertheless require to be specially stored in transit. Oil tankers and refrigerator ships have been developed for this purpose. In most cargo spheres the airplane will never be in a position to displace the ship, it can only supplement its functions on a small fringe of shipping activity. No doubt the ships will be glad to be rid of the 1% of traffic which can be carried by air when prices come slightly lower, and which, from the point of view of the air transport organisations, will be a major development calling for vast fleets of planes, where previously a few slow ships plied to and fro.

(ii) *Passengers.* Sea traffic for short (minus 300 miles) distances sometimes has the disadvantage of causing sea-sickness, but even with this disadvantage it is likely to be so much cheaper than air transport for a century, that when the probable increase in travelling is remembered, it is clear that there will be an increase in passenger carriage. What the sea may well lose in rich and long

[1] In America sea transport carries 70,000,000 ton-miles per month, which is 52 per cent. of all ton-miles carried by all forms of transport.

distance clients, it will gain in more numerous and better paid ' average persons ', such as workers on holiday. This form of transport, is, comparatively speaking, 100% safe. In certain climates it is also an entertainment, certain ships becoming ' hotels at sea ', greatly patronised both by lovers of ' cruises ' and lovers of the sea itself.

Long distance sea-going liners will increasingly give way to airliners, because the time taken by sea is in itself a diseconomy for most people. A journey to Australia or China, for example, would take several weeks longer by sea than by air, all of which time the traveller would perforce be living in a sea-going hotel. Everything considered long distances are likely to prove a field of great possibilities in the air and of corresponding decline in sea traffic. Those who wish to have a lazy hotel holiday en route to the Orient, unconcerned with business and possibly keen to see the ' sights ' at each port of call, will still remain sea travellers. Such people will, however, be a small proportion of all who travel far afield. It should not be forgotten either that a long distance sea journey always means travelling from an inland capital to a port, and vice-versa, for embarkation and disembarkation, and that many long distance liners do not provide anything resembling a ' luxury cruise '. A modern airliner, on the other hand, goes direct from inland capital to inland capital and is distinctly comfortable. As long may be spent at each airport en route as is desired, in good hotels, the traveller catching the next connection. In general, therefore, it is the author's view that it is short rather than long distance sea transport which has a definite future in the passenger sphere.

THE RAILWAYS

(a) The Function of the Railways

Railway lines are obviously more simple to construct than canals, even though rolling stock is expensive to maintain. In many areas railway transport is the only alternative to road transport, and hence for the majority of people, to going by bus or walking. Railway transport is faster and more direct than any other form of land transport, when it is over appreciably long, non-stop distances. It is clearly an essential relief on the roads for much goods traffic. With the coming of the ' electric train ', moreover, gradients cease to be of importance, and access to almost any spot becomes simple. Here then we have the main *raisons d'ètre* of the railways, which in the future may be expected to average 100 m.p.h. on all non-stop long hauls. (Current speeds already exceed 60 m.p.h.)

On hauls of below 50 miles it is to be doubted whether railways can ever be as useful as roads, although they tend to be both safer and faster. They are, in any case, an essential complement of roads in the avoidance of congestion. In general large quantities of goods can be transported quickly by rail on direct routes and with special advantages on long hauls. This carriage is on distinct tracks away from other types of traffic and gives access to the countryside in remote parts for those who have no car.

(b) Tube Transport

Underground railway developments have done much to enable our greatest cities to grow, without at the same time becoming impossibly congested. Tubes cannot solve the congestion problems in the absence of wholesale planning, but they are a precondition of its solution in very large cities. They have enabled ' Metropolitan Man ' to live 20 miles from his work and yet within half an hour of it, and provided planners decree the *exact limit* to this service it is a good thing. They have doubled the space using capacity of above-ground buildings. Metropolitan straggle may, falsely, be blamed onto tubes, but in fact they have done the most to prevent uncontrolled spread and straggle into the open country, leading more to the concentrated circular focal living area

than the strung-out ' ribbon ' of the roads. In the future they may add to the decongestive possibilities of planning, by becoming exit and entry points for workers in large blocks of flats, offices and shops, thus making it unnecessary for all these people to enter and emerge all at one level.[1]

The development of underground railway tunnelling would be of inestimable value if it succeeded in giving us land contact with Europe, via the projected 36-mile Channel Tunnel. This project has appealed to practical hard-headed engineers and financiers as both possible and profitable, and was favoured by the Report of the Economic Advisory Council, 1930. It would cheapen dairy products and bring Paris within three hours of London by land.

(c) Main Line Traffic

(i) *Goods.* The division of labour, the supply of raw materials and the distribution of finished products, have almost depended on railways since 1860. They still depend on the improvement of the railway system. The great bulk of day to day goods, especially long distance perishables, like fish, are carried by rail. The chief failing of railway goods transport has been the "exceptional rates" freight scheme, which has favoured certain clients and towns and led to the overdevelopment of certain areas, such as London. The whole system of freight rates needs revising and putting under national control.

(ii) *Passengers.* In general, passenger traffic on the British Railways has to be considered either as that of ' daily ' suburban traffic near to large towns, or as ' through ' traffic, as between large towns. The latter is strictly the ' main line' traffic, but as the two run from the same stations, they are in fact, and as I wish to argue, wrongly, merged into one system.

The whole railway network of the country needs to be electrified, following the example of the Southern Railway. As result of this tracks can be straightened due to the ending of gradient troubles. The result would be one unified and far more speedy railway system, in which it would be possible for some trains to proceed, without change, from Aberdeen through (and under) London to Dover and so, possibly, on and under the Channel, to Paris, Berlin, Moscow and beyond. The electric power needed would become, once installed, a useful and paying source of extra industrial and domestic usage, and would go far to destroy the current smoke nuisance. The whole has been recommended often, especially by the Royal Commission of 1931, on Main Line Electrification, which thought it would be making profits in seven years. In the hands of the nation such a system would be yielding social dividends within two months of completion.

Suburban traffic and stations need to be completely removed from the through lines, by becoming incorporated in the various and more developed and unified metropolitan underground cum surburban electric services. This should clear the main lines for long distance traffic. Finally it must be stressed that all level crossings should be done away with, and that bridges for this purpose will be rendered all the more simple to construct by the advent of electrification.

ROAD TRANSPORT

(a) The Function of Road Transport

The great importance of road transport is that it is a public and free social convenience, leading to personal intercommunication in restricted areas, and

[1] The expansion of the tunnelling principle to road traffic will greatly reduce road casualties at crossings. They may, ultimately, also be a development of the " vacuum " principle to goods transport in " literal " underground " tubes ", after the cash tube device commonly seen in large stores.

comfortable movement to and from work and play. The miles of streets are as important as the fewer miles of trunk roads, and they condition our lives. The roads are arteries not only of our productive and commercial life, but above all of our personal and leisure-time activities. They link us intimately with the country to which we belong, and that is their crowning significance. They either narrow our outlook by shutting us into dingy *cul-de-sacs*, or broaden it and give us wide thoroughfares and plenty of light and trees. They lead us to dale and sea, or they ditch us in a traffic jam. From a commercial point of view roads are, ideally speaking, not really suitable for traffic involving more than short (50 miles) hauls between towns. The development of larger farm units and rural communities depends upon improved rural transport facilities.

(b) Private Automobiles

The expected rise in the standard of living and the nature of production itself, will make it increasingly necessary for a much larger proportion of the population to possess private cars. Before the war private owners were increasing five times as fast as roads, but after the war this pace will be speeded up, and will aggravate transport congestion at bottlenecks and crossings unless something radical is done.

The ordinary motor roads of the country are narrow and far too irregular in direction. Inside the built-up areas there is too little use made of the raised road principle, too many one level cross-roads, involving slow roundabouts, and far too many narrow streets. In addition, on all roads there is a lack of segregation of traffic by types and speeds or directions. Ribbon building has made the pedestrian, cyclist and car-owner mutually antipathetic, if not open enemies!

The building of Parkways and Motorways with segregated strips to form lanes for the traffic, is vitally important in linking town with town, and town with country and seaside. Even more urgent is the need for ending congestion in narrow urban streets. This latter problem is more one of national land ownership and compensation costs, than a technical one. Its solution appears to most socialists as absurdly simple, and has been proved to be possible even in poorer countries like Russia and the Scandinavian countries. It will never be any good widening or severalising our main arterial roads, unless we decongest bridges and bottlenecks and main town thoroughfares, by widening central roads, building two-level roads and by tunnelling. In this way also pedestrians can be separated physically from car users, in order to unite them the more effectively spiritually. Accidents can be decimated, and additional measures aiming at this end will include the development of arcades. Finally, there is a growing need for car-parks, above and below ground, but separated from the main road.

(c) Public Vehicles

(i) *Passenger*. Public vehicles for passengers take the form of buses, trams and taxis. Increasingly the tram is being displaced by the trackless 'trolley' and by buses. This displacement is unlikely, however, to reach the point where there are no trams left, although it is hoped it will lead to this result in the central areas of the large towns. This is true because if tram tracks can be segregated from the road in treed-off tracks, as in Leeds and Birmingham, on the radial routes, trams can remain very fast whilst also having a big capacity for passengers and not taking up 'bus space' on the roads. The tram will be a complement of other local traffic for a long time. In general the development of public bus transport on the ring-road principle is desirable, as it facilitates the planning of district areas of residence, shopping, business and industry

respectively. There must, however, also be a provision of six-lane radial roads emerging from the town centre. Central bus and tram depots and stations should be kept outside of an inner city circle, within which taxis would be the only publicly operated vehicles and would be municipally operated. In other words 'through' traffic would not be encouraged on any radial roads, unless an overhead or underground road for that purpose existed at the town centre. Such traffic would use the ring roads or by-pass the towns.

(ii) *Goods.* The economy of short hauls of goods by road is obvious, because it rests to a great degree on the fact that the 'lorry' can go from the 'source' of the goods to the 'destination', whereas in longer distance traffic it may be profitable and quicker to have goods transferred to a train and from the train at either end. This transference is wasteful in short hauls, because the road lorry can 'take it' and often deliver it physically to within a yard of its place of use. The roads have not the capacity to 'take' the long distance traffic. A vehicle with the size and range of a road haulage lorry is not strictly economical on long distance transport except where its short distance advantage of 'door to door' delivery is very useful, as in the delivery of furniture. (Standard containers on the railway have now more or less altered even this.)

The great problem of road delivery is that the vehicles are of a different weight, size and speed from the normal private vehicle. They thus add to congestion and are a slowing down influence on lighter traffic. The real solution of the question lies partly in the concentration of warehouses and factories in planned areas, with specific service roads feeding them, and partly in the general development of the road system, with special reference to the segregation of types of traffic on six-lane routes.

The control of the railways over road transport is common knowledge and has been a serious matter in the past. The G W R is supposed to own more than half the lorries operating on roads competitive with the railway, and all the lines exercise tremendous control over the granting of road haulage licences. Road transport cannot be fully utilised whilst this monopoly continues.

INTER-COOPERATION OF FORMS OF TRANSPORT

The airport is relatively useless without rapid road (and rail) access to it. The road is hopelessly inadequate for all classes of traffic, by itself, but it is essential to the railway which it serves and to which it is the complement. The canal is the complement of both, and to yield its optimum advantage it must be linked to sea shipping by good transference arrangements at the docks, as also to all forms of transport by standardised containers. Let this become the transport planner's slogan: 'To each type of transport according to its suitability, from each mode of carriage according to its economic development, but always more development and less private control'. Nothing short of national cooperation between all types of transport is needed.

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Due to shortage of space it is only possible to give 'Authors' here. Any Library should be able to provide information as to their works. Some of them have only written articles in the various Town Planning Journals. Acfield, J.; Adams, T.; Blidman, A.; Bressey, C.; Bernstingle; Bridges, T.; Channel Tunnel Committee, 1930; Codrington, T.; Le Corbusier; Dickinson, H. D.; Committee on Electrification, 1931; Hubbard and Hubbard; Hughes, R.; Committee on Industry and Trade, 1928; Kehr, C.; Marchant, E.; Marchant, F. O.; Mumford, L.; Nettlefold, J. S.; Parker, B.; Pick, F.; Regional Civic Surveys; Royal Commission on Distribution of Population, 1939, Days 12 and 21; Commission on Canals-1909; Conference on Transport, 1932; Russell Sage Highway Survey; Waterhouse; Watson, H.; Wells, H.; Woods, J. W.

BOOK REVIEWS

EVERYBODY'S POLITICAL WHAT'S WHAT? Bernard Shaw (Constable 10/–)

The reader of this long, but inexpensive book, is advised to begin with the admirably incisive first chapter, then to proceed to page 344, to the two pages entitled " For the Reviewers ", and read them and the " Summaries " which follow. He can then turn back to the contents pages and decide what he would like to hear more about.

This course is recommended because the book is very repetitive, saying many things several times, some of which have already been said, and better said, in the prefaces to Shaw's plays. The old enemies, such as doctors, vaccination, vivisection, Latin, the Lord Chamberlain, &c., turn up as we have met them many times, save that the scientist Bogey is now called Pavlov. In certain respects, however, Shaw has changed his mind with the years; he no longer writes as he used to do about equality of income, and he has exchanged his general condemnation of schools for a plan which I, as a teacher, find hopelessly impracticable. There are bits of history, some illuminating, some just wrong, as when he says that Marx produced the slogan " Workers of the World, unite " in 1861 instead of 1848.

As the book is by Shaw, it is, of course, brilliantly written and contains excellent wisecracks. Its chief demerit is that on its central theme it has literally nothing to say. Shaw wishes to abolish Parliament as a legislative body; he wishes laws to be made and men to be governed by a carefully educated and carefully selected minority, but on how these are to be selected he offers no suggestions whatever. More than two thousand years ago Plato, despairing like Shaw of the political sense of his democratic fellow-countrymen, faced the like problem. But Plato did at least explain how the Guardians of his Republic were to be chosen. Shaw does not, though he explains a great many other things.

M. I. C.

SLAVERY AND FREEDOM by Nicolas Berdyaev (Geoffrey Bles 25/–)

Berdyaev makes heavy demands on the reader, and his categories are of a kind unfamiliar in English philosophic studies. All the same his " prophetic philosophy ", of which this book is something of an epitome, has affinities with the religious and anarchist strands in British Socialist thought. The problem of personal freedom in a justly ordered society is part of Berdyaev's still deeper problem. The " apologia " in the Introduction is extremely interesting. Berdyaev's " personalist socialism " should command the respect of many who might not wish to follow him into the mystical heart of his recondite Christian gnosis.

K. H.

NATIONAL INCOME AND EXPENDITURE by J. E. Meade and Richard Stone (O U P 2/–)

Two well-known economists, temporarily in the Civil Service, are responsible for this useful booklet explaining the annual Treasury White Papers. It is the very thing for those Fabians who have tried in vain to sort out the array of statistics which each White Paper presents. It is short, clearly written, and garnished with comparable wartime statistics for the U S A. J. C. G.

THE RIGHTS OF ENGINEERS by Wal Hannington (Gollancz 3/6)

This is primarily a handbook for active trade unionists amongst the engineering workers. Hannington has drawn upon his practical experience as a national organiser of the A E U to explain and interpret the various wartime agreements, arbitration awards and Government orders affecting the engineering industry. A short sketch of the historical background, and a description of the function of shop stewards and joint production committees are also included. He does not attempt to deal with controversial issues, or to make proposals on future policy for his Union. The obvious usefulness of this book suggests that other trade unions might encourage the production of similar explanatory literature for the better equipment of their members. A. F.

OLD AGE IN THE NEW WORLD by Emily D. Samson (Pilot Press 4/6)
This book is an admirable introduction to a subject that as yet lacks its literature. It is far more than a useful collection of facts and figures; it is an incitement to action. Especially in her sections dealing with the housing of the aged poor does the writer quote 'case-histories' that make the nerves tingle. The difficult problem of retaining the older age groups of the population in health and working capacity is not so fully dealt with here as is that of the care of the more or less declining strength and concentration. In the early pages of the book a brief but adequate history is given of measures for the care of the aged. The pensions question is then discussed, and the sufficiency of the various proposals considered. Most of the remainder of the book is devoted to the housing of the aged, the occupations and the amenities that might be offered to them (and usually are not), and the care and nursing of the infirm and senile. It is clear that the central problem is that of housing provision. Pensions may be granted and raised after an afternoon's debate in the House of Commons; houses take months or years to design and build—and where we build injudiciously the job cannot be undone. Those interested in town planning and rehousing should study these sections well; in twenty or thirty years they, too, may be among the ageing. F. Le G. C.

THE NATION'S HEALTH by Prof. James Mackintosh (Pilot Press 4/6)
Number 5 in the series "Target for Tomorrow" maintains the standard of its predecessors both in its high quality of production and general excellence of matter. The illustrations are lavish and the pictorial method of presenting statistics will allay the prejudices of those who fear figures. Concisely and in pleasant prose, Prof. Mackintosh describes public health legislation and practice as it has grown up in this country; he outlines its present problems and the solutions proposed on the one hand by the Government and on the other by the B M A in considerable detail, finally offering a further compromise of his own as a basis for the reader's consideration. Political bias is carefully avoided, but the facts are allowed to speak for themselves with a voice that no Socialist could fail to hear.
This is an unequalled book for the not too erudite discussion group and good reading at any level. B. C. T.

COUNTRY TOWNS IN THE FUTURE ENGLAND Report of Town and Country Planning Association (Faber & Faber 8/6)
For the last hundred years the population in this country has moved towards the large towns resulting in a loss not only to rural countryside, but of the smaller country towns. Some reversal of this trend is now favoured by planning authorities and the report of the Barlow Commission suggests decentralisation of industry. It would seem therefore that here is the opportunity for the country towns. This little book is the report of a Conference on this problem and the subjects discussed include practical methods of industrial development, the legislation required, town and country planning policy, etc. The book is full of suggestions for long-term development and improvement policies for the cities and towns of our country of the future. J. K. H.

MAKE THIS THE LAST WAR by Michael Straight (Allen & Unwin 10/6)
This study, fittingly dedicated to the John Cornfords of the age, by a brilliant young American economist educated at Dartington and Cambridge and graduated into politics via the 'New Republic', is something needed in political polemics. It is an impassioned plea for the affirmative society, for a realisation that this is the time for greatness. The intellectual thread on which the thesis rests is that of Keynesian economics. For full employment the U S A would require at the end of this decade new investment of 24 billion dollars (at 1926 prices, with the usual assumptions); to make this possible in a democratic framework is, roughly, the author's approach to the affirmative society. Internationally the United Nations must become the organ for planning—this political thread is inadequate, but there are useful pages on the existing machinery for inter-allied co-operation in the war effort. Though this study, published originally in the U S A, is in some sections dated and in others the author's judgment is based on inadequate knowledge, it should nevertheless be widely read, for Michael Straight expresses our case combining both reason and emotion. O. G.

Book Reviews continued on page ii of cover.